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25 April 1952

TO: ASST. DEPUTY DIRECTOR FOR ADMINISTRATION (S)
FROM: CHIEF, ADMINISTRATIVE STAFF (S)
SUBJECT: Welfare Fund

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Approved by	
Date	20 NOV 1978

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1. Problem:

Overseas employees by the mere fact that they are thousands of miles from the United States are often faced with the absolute need, or the intense emotional desire, to incur heavy transportation expense in connection with emergency leave due to illness of dependents or blood relatives in the United States, or for the travel of their dependents to the United States or other places for medical treatment. Such travel is personal and the cost cannot be borne by the government unless it is circumstantially coincident with official travel.

2. Result:

The results of this impasse are extremely serious although fortunately infrequent. In some instances, I have known persons to refuse overseas assignment because of a potentially serious ailment of dependent or relative; in other cases, persons have resigned in order that they or their dependents may travel at government expense. I have also seen relatively low-salaried employees saddled with heavy debts to the serious impairment of their morale. Lastly, I believe it is fair to assume that in many cases unnecessary official TTY travel has been authorized on a selective basis where plausible justification exists.

3. Proposal:

It is believed that a legal, equitable and effective solution to this problem is readily available. The proposal is made for the establishment under Agency sanction of an employee "Emergency Travel Fund". This fund would be in fact an employee welfare fund created by volunteer contributions of overseas employees. In practice, it is proposed that trustees of the fund would establish policies and standards for both the granting of loans and the voluntary repayment of appropriate portions thereof so that the overseas employee will be at least partially "insured" against the heavy costs of personal emergency travel.

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4. Discussion:

In order to reveal more explicitly the scope and practicality of the proposal, numerous suggestions for the possible organization and operation of the fund are set forth below:

a. The fund would be organized under a trust agreement setting forth the general objectives, scope and organization.

b. The Board of Trustees should be representative of both Agency Administration and the Operating Offices.

c. Contributions would be voluntary, but failure to contribute would not be a bar to participation. (I believe this would be necessary to avoid the legal restrictions on insurance activities.)

d. A contribution scale would be suggested in proportion to the salary level of the contributor.

e. Contributions would be solicited by voluntary payroll deductions authorized at the time the person was processed for overseas.

f. Contributions collected would be automatically invested in the Agency Credit Union to eliminate all fund management problems.

g. The Board of Trustees would develop general standards and policies under which loans would be made and standards for the partial or complete repayment on a voluntary basis.

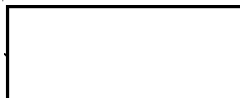
h. Standards for repayment might well differentiate between essential emergency travel and emotional emergency travel and possibly suggest greater percentage of repayment by higher salaried employees.

5. Recommendation:

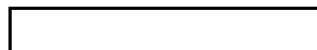
If this proposal is deemed to have merit, it is recommended that it be referred to an ad hoc Committee for immediate and thorough study leading to formal consideration and possible implementation.

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